

AMENDED IN SENATE SEPTEMBER 8, 2003

AMENDED IN ASSEMBLY APRIL 10, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 1668

Introduced by Assembly Member Salinas

February 21, 2003

An act to amend Sections 8278.3, 54745, and 54749 of the Education Code, relating to child care funding.

LEGISLATIVE COUNSEL'S DIGEST

AB 1668, as amended, Salinas. Child Care Facilities Revolving Fund.

(1) Existing law establishes the Child Care Facilities Revolving Fund in the State Treasury to provide funding for the renovation, repair, or improvement of an existing building to make the building suitable for licensure for child care and development services and for the purchase of new relocatable child care facilities for lease to school districts and contracting agencies that provide child care and development services.

Other existing law establishes the California School Age Families Education program (Cal-SAFE) to provide state funding and assistance to school districts and county superintendents of schools for the purpose of establishing comprehensive, continuous, community linked, school-based programs that focus on youth development and dropout prevention for pregnant and parenting pupils, and child care and development services for their children.

This bill would specify that a school district or county office of education that provides child care pursuant to the California School Age Families Education (Cal-SAFE) Program is eligible to apply for and receive funding from the fund.

(2) Existing law requires a school district or county superintendent of schools participating in the Cal-SAFE program to meet specified requirements, including entering into formal partnership agreements, as necessary, with community-based organizations and other governmental agencies to assist pupils in accessing support services.

This bill would require the school district or county superintendent of schools to also enter into formal partnership agreements, as necessary, with community-based organizations and other governmental agencies to provide child care and development services.

(3) Existing law requires a support services allowance allocated pursuant to the Cal-SAFE program to be maintained in a separate account and expended only for supportive services, inservice training, and other specified ~~other~~ costs. Existing law requires other funds allocated pursuant to the Cal-SAFE program for child care and development to also be maintained in a separate account and expended only for child care and development services and staff development, as provided.

~~This bill would authorize a school district or county superintendent of schools in any fiscal year, to transfer funds between the two accounts, provided that the amount transferred from either account may not exceed 25% of the funds allocated by the state for purposes of that account in that fiscal year. The bill would authorize funds allocated for the support services allowance to be expended to establish and maintain a database. The bill would provide that a support services allowance may not be used to supplant average daily attendance and revenue limit funding for the support of other educational programs that Cal-SAFE program pupils attend.~~

(4) *Existing law authorizes the Superintendent of Public Instruction to enter into and execute a local contractual agreement with any public or private entity or agency for the delivery of child care and development services, as provided.*

This bill would authorize the superintendent, upon a determination that an overpayment of child care funds was made to the child care provider operating as C.O.P.E. Centro Familiar, to enter into a repayment plan that permits repayment, with interest, over a period not



to exceed 5 years. This bill would make a legislative finding and declaration that due to the unique fiscal circumstances concerning C.O.P.E. Centro Familiar, a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 8278.3 of the Education Code is
2 amended to read:
3 8278.3. (a) (1) The Child Care Facilities Revolving Fund is
4 hereby established in the State Treasury to provide funding for the
5 renovation, repair, or improvement of an existing building to make
6 the building suitable for licensure for child care and development
7 services and for the purchase of new relocatable child care
8 facilities for lease to school districts and contracting agencies that
9 provide child care and development services, pursuant to this
10 chapter. The Superintendent of Public Instruction may transfer
11 state funds appropriated for child care facilities into this fund for
12 allocation to school districts and contracting agencies, as
13 specified, for the purchase, transportation, and installation of
14 facilities for replacement and expansion of capacity. School
15 districts and contracting agencies using facilities made available
16 by the use of these funds shall be charged a leasing fee, either at
17 a fair market value for those facilities or at an amount sufficient to
18 amortize the cost of purchase and relocation, whichever amount is
19 lower, over a 10-year period. Upon full repayment of the purchase
20 and relocation costs, title shall transfer from the State of California
21 to the school district or contracting agency. The Superintendent of
22 Public Instruction shall deposit all revenue derived from the lease
23 payments into the Child Care Facilities Revolving Fund.
24 (2) Notwithstanding Section 13340 of the Government Code,
25 all moneys in the fund, including moneys deposited from lease
26 payments, are continuously appropriated, without regard to fiscal
27 years, to the Superintendent of Public Instruction for expenditure
28 pursuant to this article.
29 (b) On or before August 1 of each fiscal ~~year~~, *year*, the
30 Superintendent of Public Instruction shall submit to the Office of

1 the Secretary for Education, the Department of Finance, and the
2 Legislative Analyst's Office a report detailing the number of
3 funding requests received and their purpose, the types of agencies
4 that received funding from the Child Care Facilities Revolving
5 Fund, the increased capacity that these facilities generated, a
6 description of the manner in which the facilities are being used,
7 and a projection of the lease payments collected and the funds
8 available for future use.

9 (c) A school district or county office of education that provides
10 child care pursuant to the California School Age Families
11 Education Program (Article 7.1 (commencing with Section
12 54740) of Chapter 9 of Part 29) is eligible to apply for and receive
13 funding pursuant to this section.

14 SEC. 2. Section 54745 of the Education Code is amended to
15 read:

16 54745. (a) In the administration of the Cal-SAFE program,
17 the following provisions apply:

18 (1) Participation by a school district or county superintendent
19 of schools in the Cal-SAFE program is voluntary.

20 (2) The governing board of a school district or county
21 superintendent of schools may submit an application to the State
22 Department of Education in the manner, form, and by the date
23 specified by the department to establish and maintain a Cal-SAFE
24 program.

25 (3) A school district or county superintendent of schools
26 approved to implement the Cal-SAFE program shall be funded as
27 one program to be operated at one or multiple sites depending upon
28 the need within the service area.

29 (4) Notwithstanding any other law, a school district or county
30 superintendent of schools operating, by October 1, 1999, a School
31 Age Parent and Infant Development Program pursuant to Article
32 17 (commencing with Section 8390) of Chapter 2 of Part 6, a
33 Pregnant Minors Program pursuant to Chapter 6 (commencing
34 with Section 8900) of Part 6 and Section 2551.3, or a Pregnant and
35 Lactating Students Program pursuant to Sections 49553 and
36 49559, as those provisions existed prior to January 1, 1999, or any
37 combination thereof, that chooses to participate in the Cal-SAFE
38 program shall have priority for Cal-SAFE program funding for an
39 amount up to the dollar amount provided to each school district or
40 county superintendent of schools under those provisions in the

1 fiscal year prior to participation in the Cal-SAFE program,
2 provided that an application is submitted and approved.

3 (5) If a school district or county superintendent of schools
4 operating a School Age Parent and Infant Development Program,
5 a Pregnant Minors Program, or a Pregnant and Lactating Students
6 Program, or any combination thereof, chooses not to participate in
7 the Cal-SAFE program, it is the intent of the Legislature that the
8 funding it would have received for the operation of those programs
9 shall be redirected to the Cal-SAFE program and the school district
10 or county superintendent of schools may apply in a subsequent
11 school year to operate a Cal-SAFE program.

12 (6) A school district or county superintendent of schools that
13 terminates its Cal-SAFE program may reapply to establish a
14 Cal-SAFE program.

15 (7) In order to continue implementation of the Cal-SAFE
16 program beyond the initial three years of funding, each funded
17 agency shall be reviewed by the department to determine progress
18 towards achieving the goals set forth in Section 54742. Thereafter,
19 funded agencies shall be reviewed and reauthorized every five
20 years based upon a process determined by the department to
21 continue implementation of a Cal-SAFE program.

22 (b) All of the following requirements apply to an application
23 for the Cal-SAFE program:

24 (1) The governing board of a participating local education
25 agency shall adopt a policy or resolution declaring its commitment
26 to provide a comprehensive, continuous, community-linked
27 program for expectant and parenting pupils and their children that
28 reflects the cultural and linguistic diversity of the community.

29 (2) The local education agency shall provide assurance for
30 participation in the development of the County Service
31 Coordination Plan as described in Section 54744.

32 (3) A school district or county superintendent of schools shall
33 agree to participate in the data collection and evaluation of the
34 Cal-SAFE program.

35 (c) To implement a Cal-SAFE program, the funded school
36 district, or county superintendent of schools shall meet all of the
37 following criteria:

38 (1) Be in compliance with the regulations adopted pursuant to
39 Title IX of the Education Amendments of 1972.

- 1 (2) Ensure that enrolled pupils retain their right to participate
2 in any comprehensive school or educational alternative programs
3 in which they could otherwise enroll. School placement and
4 instructional strategies shall be based upon the needs and styles of
5 learning of the individual pupils. The classroom setting shall be the
6 preferred instructional strategy unless an alternative is necessary
7 to meet the needs of the individual parent, child, or both.
- 8 (3) Enroll pupils into the Cal-SAFE program on an open entry
9 and open exit basis.
- 10 (4) Provide a quality education program to pupils in a
11 supportive and accommodating learning environment with
12 appropriate classroom strategies to ensure school access and
13 academic credit for all work completed.
- 14 (5) Provide parenting education and life skills instruction to
15 enrolled pupils.
- 16 (6) Make maximum utilization of available programs and
17 facilities to serve expectant and parenting pupils and their
18 children.
- 19 (7) Provide a quality child care and development program for
20 the children of enrolled teen parents located on or near the
21 schoolsite.
- 22 (8) Make maximum utilization of its local school food service
23 program.
- 24 (9) Provide special school nutrition supplements, as defined by
25 subdivision (b) of Section 49553, to pregnant and lactating pupils.
- 26 (10) Enter into formal partnership agreements, as necessary,
27 with community-based organizations and other governmental
28 agencies to assist pupils in accessing support services or to provide
29 child care and development services.
- 30 (11) Provide staff development and community outreach in
31 order to establish a positive learning environment and school
32 policies supportive of expectant and parenting pupils' academic
33 achievement and to promote the healthy development of their
34 children.
- 35 (12) Maintain an annual program budget and expenditure
36 report to document that funds are expended pursuant to Section
37 54749.
- 38 (13) Assess no fees to enrolled pupils or their families for
39 services provided through the Cal-SAFE program.



(14) Establish and maintain a database in the manner and form prescribed by the State Department of Education for purposes of program evaluation.

(15) Coordinate to the maximum extent possible with Cal-Learn program case managers provided pursuant to Section 11332.5 of the Welfare and Institutions Code and Adolescent Family Life Program case managers provided pursuant to Article 1 (commencing with Section 124175) of Chapter 4 of Part 2 of Division 106 of the Health and Safety Code.

SEC. 3. Section 54749 of the Education Code is amended to read:

54749. (a) For the 2000–01 fiscal year and each fiscal year thereafter, a school district or county superintendent of schools participating in Cal-SAFE is eligible for state funding from funds appropriated for services provided for the purposes of the program as follows:

(1) A support services allowance of two thousand two hundred thirty-seven dollars (\$2,237) for each unit of average daily attendance generated by each pupil who has completed the intake process pursuant to subdivision (a) of Section 54746 and is receiving services pursuant to subdivision (b) of Section 54746. This allowance shall be adjusted annually by the inflation factor set forth in subdivision (b) of Section 42238.1. In no event shall more than one support service allowance be generated by any pupil concurrently enrolled in more than one educational program.

(A) A support services allowance may not be claimed for units of average daily attendance reported pursuant to the following:

(i) Subdivision (b) of Section 1982 for pupils attending county community schools operated pursuant to Chapter 6.5 of Part 2 (commencing with Section 1980).

(ii) Pupils attending juvenile court schools operated pursuant to Article 2.5 (commencing with Section 48645) of Chapter 4 of Part 27.

(iii) Pupils attending community day schools operated pursuant to Article 3 (commencing with Section 48660) of Chapter 4 of Part 27.

(iv) Pupils attending a county operated Cal-SAFE program pursuant to this article whose attendance is reported pursuant to Section 2551.3.

1 (B) A support services allowance may not be used to supplant
2 average daily attendance and revenue limit funding provided
3 pursuant to paragraph (2) for the support of educational programs
4 that Cal-SAFE program pupils attend.

5 (2) Average daily attendance and revenue limit funding for
6 pupils receiving services in the Cal-SAFE program shall be
7 computed pursuant to provisions and regulations applicable to the
8 educational program or programs that each pupil attends, except
9 as provided in paragraph (3).

10 (3) For attendance not claimed pursuant to paragraph (2), a
11 county office of education may claim the statewide average
12 revenue limit per unit of average daily attendance for high school
13 districts, payable from Section A of the State School Fund, for the
14 attendance of pupils receiving services in the Cal-SAFE program,
15 provided that no other revenue limit funding is claimed for the
16 same pupil and pupil attendance of no less than 240 minutes per
17 day and is computed and maintained pursuant to Section 46300.

18 (4) Except as provided in subdivision (c) of Section 54749.5,
19 operators of Cal-SAFE programs shall be reimbursed in
20 accordance with the amount specified in subdivision (b) of Section
21 8265 and the amounts specified in subdivisions (a) and (b) of
22 Section 8265.5 for each child receiving services pursuant to the
23 Cal-SAFE program who is the child of teen parents enrolled in the
24 Cal-SAFE program. To be eligible for funding pursuant to this
25 paragraph, the operational days of child care and development
26 programs are only those necessary to provide child care services
27 to children of pupils participating in Cal-SAFE.

28 (5) Notwithstanding paragraph (1), pupils for whom
29 attendance is reported pursuant to subdivision (b) of Section 1982,
30 pupils attending juvenile court schools, and pupils attending
31 community day schools may complete the intake process for the
32 Cal-SAFE program and, if the intake process is completed, shall
33 receive services pursuant to subdivision (b) of Section 54746. The
34 children of pupils receiving services in the Cal-SAFE program
35 pursuant to subdivision (b) of Section 54746 and attending
36 juvenile court schools, county community schools, or community
37 day schools are eligible for funding pursuant to paragraph (4) and
38 no other provisions of this section.

39 ~~(b) Except as provided in subdivision (d), funds~~

1 (b) *Funds* allocated pursuant to paragraph (1) of subdivision
2 (a) shall be maintained in a separate account and shall be expended
3 only to provide the supportive services enumerated in subdivision
4 (b) of Section 54746, to provide inservice training as specified in
5 ~~subdivision (d) of Section 54746, to establish and maintain the~~
6 ~~database as specified in subdivision (e) of Section 54746, and for~~
7 *subdivision (d) of Section 54746, and for* the expenditures
8 enumerated in subdivision (d) of this section.

9 ~~(e) Except as provided in subdivision (d), funds allocated~~

10 (c) *Funds allocated* pursuant to paragraph (4) of subdivision
11 (a) shall be maintained in a separate account and shall be expended
12 only to provide developmentally appropriate child care and
13 development services pursuant to subdivision (c) of Section 54746
14 and staff development of child development program staff
15 pursuant to subdivision (d) of Section 54746 for children of teen
16 parents enrolled in the Cal-SAFE program for the purpose of
17 promoting the children's development comparable to age norms,
18 access to health and preventive services, and enhanced school
19 readiness.

20 ~~(d) In any fiscal year, a school district or county superintendent~~
21 ~~of schools may transfer funds between the accounts maintained~~
22 ~~pursuant to subdivisions (b) and (c), provided that the amount~~
23 ~~transferred from either account may not exceed 25 percent of the~~
24 ~~funds allocated by the state for purposes of that account in that~~
25 ~~fiscal year.~~

26 ~~(e)~~

27 (d) Funds generated pursuant to Section 2551.3, subdivision
28 (b) of Section 54749.5, and this section shall be maintained in a
29 separate account and shall be expended only to provide the
30 services enumerated in Section 54746 and the following
31 expenditures as defined by the California State School Accounting
32 Manual:

33 (1) Expenditures defined as direct costs of instructional
34 programs.

35 (2) Expenditures defined as documented direct support costs.

36 (3) Expenditures defined as allocated direct support costs.

37 (4) Expenditures for indirect charges.

38 (5) Expenditures defined as facility costs, including the costs
39 of renting, leasing, lease purchase, remodeling, or improving
40 buildings.

1 ~~(f)~~—
2 ~~(e)~~ Indirect costs may not exceed the lesser of the approved
3 indirect cost rate or 10 percent.
4 ~~(g)~~—
5 ~~(f)~~ Expenditures that represent contract payments to
6 community-based organizations and other governmental agencies
7 pursuant to paragraph (10) of subdivision (b) of Section 54745 for
8 the operation of a Cal-SAFE program shall be included in the
9 Cal-SAFE program account.
10 ~~(h)~~—
11 ~~(g)~~ To the extent permitted by federal law, any funding made
12 available to a school district or county superintendent of schools
13 is subject to all of the following conditions:
14 (1) The program is open to all eligible pupils without regard to
15 any pupil's religious beliefs or any other factor related to religion.
16 (2) No religious instruction is included in the program.
17 (3) The space where the program is operated is not used in any
18 manner to foster religion during the time used for operation of the
19 program.
20 ~~(i)~~—
21 ~~(h)~~ A school district or county superintendent of schools
22 implementing a Cal-SAFE program may establish a claims
23 process to recover federal funds available for any services
24 provided that are Medi-Cal eligible.
25 ~~(j)~~—
26 ~~(i)~~ For purposes of serving pupils enrolled in the Cal-SAFE
27 program in a summer school program or enrolled in a school
28 program operating more than 180 days, eligibility for child care
29 services pursuant to subdivision (c) of Section 54746 shall be
30 determined by the parent's hours of enrollment and shall be for
31 only those hours necessary to further the completion of the parent's
32 educational program.
33 ~~(k)~~—
34 ~~(j)~~ To meet startup costs for the opening of child care and
35 development sites, as defined in subdivision (ab) of Section 8208,
36 and applicable regulations, a school district or county office of
37 education may apply for a one-time 15-percent service level
38 exemption within the amount appropriated in the annual Budget
39 Act for the purposes of paragraph (4) of subdivision (a) for each
40 site meeting the criteria set forth in subdivision (ab) of Section



8208. To the extent that Budget Act funding is insufficient to cover the full costs of Cal-SAFE child care, reimbursements to all participating programs shall be reduced on a pro rata basis. A school district or county office of education shall submit claims pursuant to this subdivision with other claims submitted pursuant to this section. Funding provided for startup costs shall be utilized for approvable startup costs enumerated in subdivision (a) of Section 8275.

~~(h)~~

(k) To meet costs for the renovation, repair, or improvement of an existing building to make the building suitable for licensure for child care and development services and for the purchase of new relocatable child care facilities for lease to school districts and contracting agencies that provide child care and development services, a school district or county office of education that provides child care pursuant to this article may apply for and receive funding pursuant to Section 8278.3.

~~(m)~~

(l) Notwithstanding any other provision of this article, the implementation of this article is contingent upon appropriations in the annual Budget Act for the purpose of its administration and evaluation by the State Department of Education.

~~(n)~~

(m) Notwithstanding any other law, a charter school may apply for funding pursuant to this article and shall meet the requirements of this article to be eligible for funding pursuant to this section.

SEC. 4. Upon a determination by the Superintendent of Public Instruction that an overpayment of child care funds was made by the State Department of Education to the child care provider operating as C.O.P.E. Centro Familiar, located in Santa Cruz County, the superintendent may enter into a repayment plan that permits the child care provider to repay the funds, plus interest, to the department over a period not to exceed five years.

SEC. 5. The Legislature finds and declares that due to the unique fiscal circumstances concerning C.O.P.E. Centro Familiar, a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution.

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